

The Attorney General of California has prepared the following title and summary of the chief purpose and points of the proposed measure:

POLITICAL CONTRIBUTIONS AND EXPENDITURES BY CORPORATIONS.

SHAREHOLDER APPROVAL. INITIATIVE STATUTE. Prohibits corporations and other business entities from making contributions or expenditures for political activities without shareholders' prior informed approval. Reduces the total amount of any contribution or expenditure approved by the percentage of shares not voted for approval. Defines political activities to include those related to candidates, ballot measures, issue advocacy, political parties, committees, voter registration, or any other political or legislative causes. Imposes criminal penalties for violations against persons spending, consenting to, or receiving prohibited contributions or expenditures. Requires detailed reporting to shareholders. Summary of estimate by Legislative Analyst and Director of Finance of fiscal impact on state and local government: **Increased annual state enforcement costs of potentially several hundred thousand dollars, partially offset by increased fine revenues. (11-0097.)**